

Table of Contents

Federal Circuit Clarifies Use of "Common Sense" under <i>KSR</i>	1
Federal Circuit Finds Broadest Reasonable Interpretation Does Not Encompass Legally Incorrect Interpretations	3
Federal Circuit Finds Mere Registration in Copyright Office Insufficient to Show Printed Publication Was Available for Purposes of 35 U.S.C. 102(b)	5
6th Circuit Finds Copyright License Does Not Automatically Transfer to Merged Entity	8
Federal Circuit Finds Print Advertisement Contains an Enabling Disclosure Sufficient to Invalidate Claims Under 35 U.S.C. §102(b)	9
Central District of California Extends <i>Bilski</i> Holding to Find Computer Aided Method Not Tied To A Particular Machine If Merely Tied to Computer	11
Feature Comment: New USPTO Program to Accelerate Examination of Green Technologies	12

Stein McEwen Newsletter

December 2009
Volume 5, Issue 4



Federal Circuit Clarifies Use of "Common Sense" under *KSR*

Federal Circuit Confirms the Need For Evidence to Support Use of Common Sense During Obviousness Determinations

In *Perfect Web Techs. v. InfoUSA, Inc.*, 92 U.S.P.Q.2d 1849 (Fed. Cir. 2009), the Federal Circuit expounded on the use of common sense in the determination of obviousness under 35 U.S.C. § 103(a). The Supreme Court looked favorably upon the use of a common sense approach in *KSR International Co. v. Teleflex Inc.*, 127 S.Ct 1727; 82 USPQ2d 1385 (2007) decision. The Federal Circuit, in *Perfect Web Techs. v. InfoUSA, Inc.* relied upon that decision in finding that a bulk E-mailing patent was obvious in light of the prior art reference and the common sense of a person of ordinary skill.

Perfect Web involved U.S. Patent No. 6,631,400, which directed to a methods of bulk E-mail distribution. Claim 1 is representative of the asserted claims and is as follows:

1. A method for managing bulk e-mail distribution comprising the steps:

(A) matching a target recipient profile with a group of target recipients;

(B) transmitting a set of bulk E-mails to set target recipients in said matched group;

(C) calculating a set of bulk E-mails to said target recipients in said matched group;

(D) if said calculated quantity does not exceed a prescribed minimum quantity of successfully received E-mails, repeating steps (A)-(C) until said

calculated quantity exceeds said prescribed minimum quantity.

Perfect Web did not argue any of the remaining claims separately, leaving the Federal Circuit to decide the case based on claim 1. Of the four steps present in the claim, Perfect Web conceded that the prior art taught the first three, steps (A) through (C), specifically the matching, transmitting, and calculating steps. *Perfect Web*, 92 U.S.P.Q.2d at 1851. This left only the question whether step (D) was obvious in view of the prior art disclosure of the first three steps. The district court had found that the inclusion of step (D) was obvious, and in the alternative, that the claims were invalid for anticipation and lack of statutory subject matter.

The Federal Circuit affirmed the district court's holding that step (D) was obvious, and therefore did not address the district court's alternative findings of anticipation and lack of statutory subject matter.

The district court held that the final step (D) of claim 1 was obvious, nothing more than "the logical result of common sense application of the maxim 'try, try again'." *Perfect Web*, 92 U.S.P.Q.2d 1851-52. On appeal, Perfect Web argued that the district court improperly applied hindsight reasoning and failed to provide any evidence or fact-finding to support the conclusion of obviousness. *Id.* at 1852. Furthermore, the district court failed to properly consider Perfect Web's evidence of a long-felt need in the art. *Id.*

The Federal Circuit held that the district court properly applied the common sense of a person of ordinary skill to the facts of the case to reach the conclusion that a person of ordinary skill would have found the

additional step (D) of claim 1 to be obvious. *Perfect Web*, 92 U.S.P.Q.2d at 1851. The Federal Circuit began with the Supreme Court's *KSR* decision. In *KSR*, the Supreme Court noted that common sense could be the basis for a determination of obviousness. *KSR Int'l Co. v. Teleflex, Inc.*, 82 U.S.P.Q.2d 1385 (2007). A person of ordinary skill in the art should be expected to apply common sense principles to the problems before him, and this insight should not be disregarded.

The Federal Circuit also found strains of the Supreme Court's reasoning in prior Federal Circuit cases. The Federal Circuit's predecessor court found common sense to be an appropriate source of obviousness reasoning in its 1969 *Bozek* decision. *In re Bozek*, 416 F.2d 1385, 1390 (CCPA 1969). The Federal Circuit held in *In re Zurko* that patent examiners could not invoke the common sense of the person of ordinary skill without some basis in the record. *In re Zurko*, 258 F.3d 1379, 1383, 1385 (Fed. Cir. 2001). Similarly, the Federal Circuit held in *In re Lee* that patent examiner must explain why their findings support their conclusion. *In re Lee*, 277 F.3d 1338, 1344 (Fed. Cir. 2002).

Acknowledging Perfect Web's concerns, the Federal Circuit cautioned against an improper use of common sense. *Perfect Web*, 92 U.S.P.Q.2d at 1854-55. The Supreme Court looked favorably on a common sense approach, but the analysis must be based on the evidence, and the reasoning "must be made explicit". *KSR*, 82 U.S.P.Q.2d at 1396. Therefore, a court or an Examiner must present the facts upon which the finding of common sense is based, including facts relating to the nature of the problem solved, the level of skill in the art, the teachings of the prior art, and the other *Graham* factual findings. As noted by the Federal Circuit, "while an analysis of obviousness always depends on evidence that supports the *Graham* factual findings, it also may include recourse to logic, judgment, and common sense..." *Perfect Web*, 92 U.S.P.Q.2d at 1854.

Once these facts have been established based on the evidence of record, the court (or Examiner) can apply common sense principles, where appropriate, to these facts in order to determine whether the invention would have been obvious to the person of ordinary skill in the art.

The use of common sense, even once the facts have been established, must still be based on articulated reasoning. The Federal Circuit interpreted the Supreme Court's reminder that "the analysis should be made explicit" as referring not only to the findings of fact, but

also the reasoning behind the court's application of common sense or other principles not clearly based in the evidence. *Perfect Web*, 92 U.S.P.Q.2d at 1854. A district court must therefore present its reasoning "with sufficient clarity for review". *Id.* at 1855.

Applying these considerations to the current case, the Federal Circuit found the district court's reasoning to be sound. The evidence of record showed that the first three steps (A) - (C) were known in the art. *Perfect Web*, 92 U.S.P.Q.2d at 1852. The only remaining step, step (D), merely involved repeating steps (A) - (C) until a minimum quantity of successfully received E-mails is reached. *Id.* at 1854-55. In other words, step (D) merely involved repeating a known procedure until success is reached. Repeating this procedure would be the only realistic way to achieve success if the minimum quantity was not reached in the first iteration. *Id.* In light of these facts, the district court found that it would be common sense for the person of ordinary skill in the art to "try, try again" and repeat the procedure (step (D)) until successful. *Id.*

The Federal Circuit was not persuaded by Perfect Web's expert testimony to the contrary. Expert testimony is one example of a "wider diversity of sources to bridge the gap between the prior art and a conclusion of obviousness". *Perfect Web*, 92 U.S.P.Q.2d at 1853-54. Other sources include market forces, design pressures, and known problems and needs in the art. *Id.* at 1854. Such evidence can be used to supplement or bolster a common sense finding. Expert testimony, the Federal Circuit noted, could be helpful in cases where the technology is complex and the level of ordinary skill is high. *Id.* In cases where the technology is simple, or the level of skill low, expert testimony may not be necessary. In this case, the level of skill was low and was found to require a high school education, and limited computer and marketing experience. *Id.* Given this low level of skill, the Federal Circuit found no need to resort to expert testimony in determining whether step (D) was obvious. *Id.*

Even taking the expert testimony into account, the Federal Circuit found InfoUSA's experts to be more persuasive than that of Perfect Web. *Perfect Web*, 92 U.S.P.Q.2d at 1855. Both of InfoUSA's experts testified that repeating the steps according to the claimed step (D) would be the obvious and, in some cases, only way to ensure a minimum level of success. *Id.* In contrast, Perfect Web's expert did not directly address the issue; the expert's testimony was primarily directed toward an obviousness analysis of three prior art references. *Id.* The expert even admitted that the person of ordinary

skill had limited options if an initial delivery fell short of expectations, and that one of these options included step (D): repeating the previous steps until the minimum level was achieved. *Id.*

The Federal Circuit also supported the district court's finding that step (D) of claim 1 would have been obvious to try. *Perfect Web*, 92 U.S.P.Q.2d at 1855. Prior to *KSR*, claims could not be found obvious on the grounds that the proposed modification would have been "obvious to try". However, the *KSR* decision allowed such a finding in certain situations. *Id.* at 1853 (citing *KSR*). If a person of ordinary skill were faced with a problem having a finite number of identified, predictable solutions, it follows that these solutions would be obvious to try. *Id.* In *Perfect Web*, the record showed only three solutions to the problem at hand, one of which was the claimed step (D). *Id.* at 1855. In light of this limited number of solutions, the district court found that it would have been obvious for the person of ordinary skill in the art to try the claimed step (D). *Id.*

Perfect Web did not present sufficient evidence to rebut these findings. *Perfect Web* presented no evidence to show that step (D) had unexpected results or would not have had a reasonable expectation of success. *Perfect Web*, 92 U.S.P.Q.2d at 1855. *Perfect Web* did attempt to present evidence showing a long-felt need for an efficient bulk E-mailing system. *Id.* at 1856. According to expert testimony, the prior art systems relied heavily on oversending E-mails. *Id.* Oversending, however, was inefficient in that marketers had to transmit messages for which they could not be paid, and because customers objected to the large amount of messages being sent. *Id.* The Federal Circuit did not find this evidence persuasive. Although *Perfect Web* identified a need, *Perfect Web* did not show that this need was long-felt. *Id.* *Perfect Web* did not present any evidence showing how long the need was felt, or when the problem first arose. *Id.* *Perfect Web's* expert did not provide any evidence to support the conclusion that the

claimed method reduced marketing costs or the number of customers opting out of the bulk E-mail program. *Id.* Without this evidentiary support, the Federal Circuit gave the expert's conclusion little weight.

Significance for Patent Applicants and Owners

Perfect Web clarifies the ground rules of the post-*KSR* obviousness analysis. Although a "common sense" approach can be applied, common sense merely supplements, and does not supplant, the prior approach. The *Graham* factors must still be addressed, and must still be based on evidence of record. Once these factors have been established, the fact-finder can apply the common sense of a person of ordinary skill to determine whether the proposed modification or combination or prior art would have been obvious. The reasoning set forth must be explicit and clear, with reference to the evidence of record.

During patent prosecution, Examiners may be tempted to skip the *Graham* factors and assert that it would have been "common sense" for a person of ordinary skill to make a proposed combination. The *Perfect Web* decision does not permit such *carte blanche* usage of common sense. In such situations, the patent prosecutor should remind the Examiners that the *Graham* factors cannot be ignored, and explain why, in view of the evidence, the claimed invention would not have been the result of "common sense". Secondary evidence and expert declarations can also be presented to rebut a common sense argument, but this evidence should be directed specifically toward the relevant issues: level of skill in the art, number and predictability of available solutions, reasonable expectation of success, and the like. *Perfect Web Techs.* therefore clarifies the use of common sense in a post *KSR* approach, and also places important limits on its use. It is these limits that will provide comfort to patent prosecutors fearing broad obviousness rejections.

Federal Circuit Finds Broadest Reasonable Interpretation Does Not Encompass Legally Incorrect Interpretations

In *In Re Skvorecz*, 92 USPQ2d 1020 (Fed. Cir. 2009), Robert Skvorecz invented a wire chafing dish which can be nested with other chafing dishes, but which can be more easily separated. According to the specification, the separation is made easier due to offsets in the legs of the chafing dish, which prevents the nested chafing dishes from becoming wedged together. After the

application was originally issued as a patent, Mr. Skvorecz filed a reissue application in order to make various corrections. The Examiner rejected claims 1-5 and 7 under 35 U.S.C. § 102 in view of U.S. Patent No. 5,503,062 (the Buff patent), and specifically found that the Buff patent disclosed a "wire chafing stand comprising a first rim of wire steel ... having at least two

wire legs with each wire leg having two upright sections ... and further comprising a plurality of offsets located either in said upright sections of said wire legs or in said first rim for laterally displacing each wire leg relative to said first rim to facilitate the nesting of a multiplicity of stands into one another without significant wedging” as recited in claim 1.

Mr. Skvorecz argued that, while the Buff patent discloses a wire leg 48, there is no disclosure that the wire leg 48 had an offset.

While reversing on other issues, the Board of Patent Appeals and Interferences affirmed the rejection of claims 1 and 2, and entered new grounds of rejection for failure to comply with the written description and definiteness requirement of 35 U.S.C. § 112. In rejecting Mr. Skvorecz’s arguments, the Board specifically noted that the wire leg 48 was not a leg, but a transverse member, and that the term “comprising” allowed a situation in which not all legs included an offset. On appeal, the Federal Circuit reversed the rejections.

In regards to the anticipation, rejection, the Federal Circuit first noted that, while claims during examination are to be given their broadest reasonable interpretation, this protocol “does not include giving claims a legally incorrect interpretation” and is not a rule of claim construction. Instead, the Federal Circuit cited to *In re Buszard*, 504 F.3d 1364, 1366 (Fed. Cir. 2007); *In re Cortright*, 165 F.3d 1353, 1358 (Fed. Cir. 1999), and MPEP 2111 for the proposition that the protocol is used as an “aid in sharpening and clarifying the claims during the application stage, when claims are readily changed.” The Federal Circuit found that the Board’s use of the term “comprising” was legally incorrect since claim 1 clearly recited that each leg have an offset, and the wire 48 which was a leg did not include the offset. Since the Buff patent did not disclose each feature of claim 1, the Federal Circuit reversed the Board.

On the issue of definiteness, the Board had found that the phrase “welded to said wire legs at the separation” in claim 5 was indefinite under 35 U.S.C. § 112 since there was a lack of antecedent basis for the separation. The Federal Circuit acknowledged Mr. Skvorecz’s argument that claim 5, which was rejected for being indefinite, had already issued in the same form as a patent and had not been found indefinite by the prior Examiner or the Examiner during the reissue process. In reversing the Board’s new rejection on this issue, the Federal Circuit noted that even MPEP 2173.02 acknowledges that the mere failure to provide antecedent basis does not automatically render a claim

indefinite if the claim would be understood by one of ordinary skill in the art.

Lastly, in reversing the rejection for purposes of lack of written description, the Federal Circuit noted that compliance with 35 U.S.C. § 112 does not hinge on one factor. Instead, the Federal Circuit quoted its prior decision in *Lockwood v. American Airlines, Inc.*, 107 F.3d 1565, 1572 (Fed. Cir. 1997) that “the applicant may employ “such descriptive means as words, structures, figures, diagrams, formulas, etc., that fully set forth the claimed invention.” The Board had held that the specification did not support the feature of “a plurality of offsets located . . . in said first rim” is not described in the specification, and at best, FIGs. 12 and 13 only show an offset in one rim or in every leg. In rejecting this reasoning, the Federal Circuit noted that FIGs. 12 and 13 were partial views which were described in the specification in relation of the offsets to the rim and legs, and one of ordinary skill in the art would be able to discern how the completed device would be assembled in light of the specification. Thus, the Federal Circuit found that, while no single Figure showed the complete device matching the claimed invention, one of ordinary skill in the art, using the partial views of FIGs. 12 and 13 and the specification, would understand the invention as claimed such that the claims meet the requirements for written description under 35 U.S.C. § 112.

Significance for Patent Applicants

For patent applicants, the fact that an Examiner may apply the broadest reasonable interpretation to the claims can prove a challenge where the Examiner’s interpretation is unclear or beyond any possible understanding of one of ordinary skill in the art. When faced with such an unreasonable interpretation, the patent applicant will effectively be unable to properly evaluate a rejected claim to determine available claim scope or otherwise respond to the rejection. In these situations, the applicant is faced with a choice of an expensive appeal to correct the Examiner’s interpretation, or to make unnecessary amendments which can harm the value of the resulting patent.

In Re Skvorecz serves as a reminder that Examiners must still provide evidence that their interpretation is reasonable in some manner. Thus, prior to an appeal or amendment, where the Examiner does not provide such a rationale, patent applicants can rely upon *In Re Skvorecz* to force the Examiner to provide such information in order to ensure applicants are not giving up claim scope to which they are otherwise entitled.

Federal Circuit Finds Mere Registration in Copyright Office Insufficient to Show Printed Publication Was Available for Purposes of 35 U.S.C. 102(b)

In *In re Richard S. Lister*, 92 USPQ2d 1225 (Fed. Cir. 2009), Dr. Richard Lister appealed a decision made by the U.S. Patent and Trademark Office Board of Patent Appeals and Interferences (BPAI) affirming the rejection of claims 21-25 of Lister's patent application. Dr. Lister is a clinical psychologist who had devised a modification to the standard method of playing golf. The modification allowed players to place, or tee up, their balls on any shot being attempted, except for when the ball was in a hazard area or on the putting green. Dr. Lister drafted a manuscript describing his method of playing golf, entitled "Advanced Handicap Alternatives for Golf" and submitted the manuscript to the U.S. Copyright Office on July 4, 1994 and the certificate of registration was issued on July 18, 1994.

In addition to the copyright obtained on the manuscript, Dr. Lister learned that he should file a patent to further protect his method of playing golf, and he subsequently filed for a patent with the USPTO on August 5, 1996. The patent application had been under prosecution for over 10 years, having been rejected and amended multiple times, as well as being appealed twice to the BPAI. In the final rejection dated January 31, 2003, the Examiner had rejected claims 21-25 under 35 U.S.C. §§102(a) & (b) as being anticipated by the Lister manuscript filed with the Copyright Office.

The BPAI affirmed the rejection under 35 U.S.C. §102(b) but reversed the rejection under 35 U.S.C. §102(a). The rejection under 35 U.S.C. §102(a) was reversed because the BPAI noted that 35 U.S.C. §102(a) bars the patenting of inventions that were described in a printed publication before the applicant's date of invention. Thus, because the manuscript filed by Lister with the Copyright Office, which is the printed publication describing Lister's method of playing golf, was used for the rejection under 35 U.S.C. §102(a) and was filed after Lister invented his method of playing golf, the manuscript does not qualify as a valid reference under 35 U.S.C. §102(a). The 35 U.S.C. §102(b) rejection was affirmed because 35 U.S.C. §102(b) bars the patenting of inventions that were described in a printed publication more than one year before the applicant's date of filing. Lister's date of filing the patent application was August 5, 1996 while the certificate of registration of the manuscript filed by Lister was issued on July 18, 1994. However, in citing *In re Klopfenstein*,

380 F.3d 1345 (Fed. Cir. 2004), the BPAI noted that the manuscript must be publicly available in order to qualify as a printed publication.

The BPAI took the date of July 18, 1994, when the Copyright Office issued the certificate of registration, as when the manuscript was publically available because the Copyright Office maintained a searchable database of titles. The BPAI asserted that an interested party could find the manuscript by conducting a title search using the keywords "golf" and "handicap" and that the interested party could view the manuscript at the Copyright Office. Lister counter argued that the difficulty imposed by both travelling to the Copyright Office to view the document, and not being able to obtain a copy of the manuscript, as per the Copyright Office's rules, rendered the manuscript as not being publically available. Additionally, Lister argued that the BPAI erred in relying on *Klopfenstein* because *In re Hall*, 781 F.2d 897 (Fed. Cir. 1986) and *In re Cronyn*, 890 F.2d 1158 (Fed. Cir. 1989) were more factually relevant and that because there was no evidence that the manuscript was not actually accessed by anyone, the manuscript was not publically available.

The BPAI viewed the inventive concept of the manuscript as being straightforward enough that it could be understood and remembered by merely reading the manuscript, and thus, the interested party would not need to obtain a copy to understand the inventive concept in Lister's manuscript. Furthermore, the BPAI concluded that actual evidence of a publication being accessed was not a requirement under *SRI International, Inc. v. Internet Security Systems, Inc.*, 511 F.3d 1186, 1197 (Fed. Cir. 2008). Additionally, the BPAI further noted that because *Klopfenstein* discussed both *Cronyn* and *Hall*, *Klopfenstein* was relevant to library cases. Lister appealed the BPAI's decision to affirm the rejection of claims 21-25 under 35 U.S.C. §102(b). The U.S. Court of Appeals for the Federal Circuit vacated and remanded the BPAI's decision.

The Federal Circuit focused on the factual determinations made to assess whether a document qualifies as a 'printed publication' under 35 U.S.C. §102. One requirement of qualifying as a 'printed publication' is that the document be publically accessible. The Federal Circuit stated that "A reference is considered publically accessible if it was 'disseminated or otherwise

made available or the extent that persons interested and ordinarily skilled in the subject matter or art exercising reasonable diligence, can locate it.’ *Kyocera Wireless Corp. v. Int’l Trade Comm’n*, 545 F.3d 1340, 1350 (2008).” The Federal Circuit Court went on to note that prior cases consider a variety of factors in determining public accessibility, such as research tools directing an interested party to a relevant document and whether a document is cataloged and shelved at a library.

In comparing *In re Bayer*, 568 F.2d, 1357, 1361 (CCPA 1978), and *Hall*, the Federal Circuit quoted Cronyn at 1161 for the proposition that “the critical difference between [Bayer and Hall] that explains the different results is that on the critical date in Bayer the thesis was ‘uncatalogued and unshelved’ and therefore not accessible to the public, whereas in Hall the ‘dissertation was accessible’ because it had been indexed, cataloged and shelved.” The Federal Circuit went on to note that in *Cronyn*, a thesis, stored in an academic department library at Reed College, was listed in a card catalogue containing thesis titles and author names. While the card catalogue was available to the public, the individual cards were filed according to the author’s name rather than by thesis title or subject matter. Thus, in *Cronyn*, the court found that the theses were not publically accessible because they were not catalogued in a meaningful manner.

However, the Federal Circuit went on to say note that cataloging and indexing are not absolute requirements to show publically accessible. In summarizing several other cases that pointed to factors other than cataloging and indexing, the Federal Circuit stated that all of the surrounding facts and circumstances must be considered to determine “whether an interested researcher would have been sufficiently capable of finding the reference and examining its contents.”

In addressing the specifics of Lister’s appeal and arguments, the Federal Circuit considered two factors: 1) availability for inspection; and 2) existence and adequacy of an index. With respect to the first factor, Lister asserted that the case of *Northern Telecom, Inc. v. Datapoint Corp.*, 908 F.2d 931, 936-937 (Fed. Cir. 1990), was relevant to the facts of Lister’s case. Lister argued that the difficulty in accessing the document, arising from having to travel to the Copyright Office to view the document and the Copyright Office not providing copies of the document, disqualify the document from being considered to be generally available. Lister offered a letter from the Copyright Office, dated September 4, 2004, stating that there had

been no requests for inspection of the manual, as evidence of the document’s lack of general availability.

The Federal Circuit noted a critical difference between *Northern Telecom* and the facts surrounding Lister’s case, that being where the documents were stored. In *Northern Telecom*, the documents were stored in a Mitre Corp. office library, which was restricted to use by Mitre employees, whereas Lister’s manuscript was accessible to the general public while being stored at the Copyright Office. Additionally, in citing to *Hall* at 899-900, the Federal Circuit noted that even if significant travel is required to access a document, it may still be considered as publically accessible. Furthermore the Federal Circuit cited several cases and stated that once a document is shown to be accessible, it is not necessary to show that the document was actually accessed. Lastly, the Federal Circuit Court agreed with the BPAI is finding that an interested party would be able to understand and recall the invention disclosed in Lister’s manuscript without having an individual copy. Thus, the Federal Circuit found that an interested person could inspect the Lister manuscript at the Copyright Office.

Next, the Federal Circuit turned to whether an interested person would have been able to access and inspect the Lister manuscript for potential relevance before the critical date of one year prior to Lister’s date of filing his patent application. Lister argued that the catalogs and databases, cited by the BPAI as listing Lister’s manuscript, would not have been adequate to direct an interested party to his manuscript and that, adequacy aside, there was no evidence that the manuscript was listed on the catalogs and databases before the critical date. Three databases: the Copyright Office’s automated catalog, and the commercial databases provided by Westlaw and Dialog, were discussed by the Federal Circuit Court.

Lister argued that none of the databases or catalogs listed the manuscript in a “meaningful way,” as *Cronyn* requires. The Federal Circuit stated that Lister “asserts that neither searching by author nor the first word in the title (“Advanced”) would guide a researcher interested in his golfing method to the manuscript.” Additionally, in the oral argument of the case, the government conceded that the Copyright Office’s database alone was not sufficient in making the manuscript publically available. However, while the Westlaw and Dialog databases allowed for searching the titles of manuscripts by keywords, Lister argued that the BPAI’s conclusion that an interested party would find the manuscript by searching for “golf” and “handicap” did not account for the fact that such a search would

result in hundreds or thousands of irrelevant manuscripts. Additionally, Lister argued that “handicap” was a poor term to describe his invention because it was not used in any of the claims of his patent application.

In response, the Federal Circuit stated that Lister’s arguments impose too rigid of a test as to whether an interested party can find a reference. The Federal Circuit summarized Lister’s test as being “whether an individual, selecting terms from the claim language, could execute a single keyword search that would yield all relevant references including the anticipatory reference.” Rather, the Federal Circuit Court stated that the test is “whether [the anticipatory reference] could be located by “persons interested and ordinarily skilled in the subject matter or art exercising reasonable diligence.” *Kyocera*, 545 F.3d at 1350.” The Federal Circuit went on to note that they agreed with the BPAI that a diligent researcher would be inclined to use the word “handicap” in a keyword title search when researching ways to expedite a game of golf. Thus, the Federal Circuit concluded that the Lister manuscript was publically accessible on the date it was listed in either the Westlaw or Dialog databases.

Lastly, the Federal Circuit Court addressed the issue of whether the Lister manuscript was publically accessible one year prior to Lister’s application filing date, as is required under 35 U.S.C. §102(b) in order to bar patentability. Lister argues that there is no evidence that his manuscript was available before the critical date of August 5, 1996. The Federal Circuit Court goes on to quote MPEP §2128, which states:

“Prior art disclosures on the Internet or on an on-line database are considered to be publicly available as of the date the item was publicly posted. Absent evidence of the date that the disclosure was publicly posted, if the publication itself does not include a publication date (or retrieval date), it cannot be relied upon as prior art under 35 U.S.C. §102(a) or (b).”

The government provided two arguments in response, neither of which the Federal Circuit Court found persuasive.

The first argument relied upon the government’s assumption that Lister’s use of the word “directly” in stating that “[t]he information contained in [the commercial] databases comes directly from the Library of Congress,” means that the manuscript was listed in the commercial databases soon after Lister’s certificate of registration was issued on July 18, 1994. However, the Federal Circuit Court stated that “directly” has no bearing on the timing of commercial database updates.

Additionally, the Federal Circuit noted that the government provided no evidence with respect to general practices of database updating for the Copyright Office, Westlaw and Dialog.

The second argument was that, upon the government making a prima facie showing that the manuscript was listed in the commercial databases, the burden then shifted to Lister to show that the manuscript was not in either commercial database before the critical date. However, the Federal Circuit Court stated that “[w]e do not agree that the government has established a prima facie case that warrants shifting the burden to Dr. Lister.” The Federal Circuit went on to state that absent any evidence of the typical time that elapses between copyright registration and the incorporation of the Copyright Office’s catalog in the commercial databases, any presumption on those matters would be pure speculation. Thus, the Federal Circuit rejected both of the government’s arguments and concluded that the BPAI erred in affirming the examiner’s §102(b) rejection, vacated the BPAI’s decision and remanded the case.

In summary, the Federal Circuit Court found that with the commercial databases, which provide keyword title searching, the anticipatory reference could be found by “persons interested and ordinarily skilled in the subject matter or art exercising reasonable diligence.” *Kyocera*, 545 F.3d at 1350. However, because there was no evidence as to the manuscript being listed on the commercial databases before the critical date, it can not be shown that the Lister manuscript was publically accessible before the critical date. Therefore, the Lister manuscript does not qualify as an anticipatory reference under 35 U.S.C. §102(b), under the circumstances on which it was relied upon by the Examiner.

Significance to Patent Applicants

In re Richard S. Lister addresses a situation becoming all-too-common during examination: documents whose publication date is unverified. Often this situation arises with documents pulled from the internet. As demonstrated in *In re Richard S. Lister*, where the Examiner finds a document on a network and applies the document as part of a rejection, it is the Examiner who must provide evidence that the document was sufficiently available on a date usable under 35 U.S.C. §102 to qualify as a publication. Where this evidence is lacking, the applicants are entitled to contest the Examiner’s *prima facie* novelty or obviousness case by noting that there is insufficient evidence of availability.

6th Circuit Finds Copyright License Does Not Automatically Transfer to Merged Entity

In *Cincom Sys., Inc. v. Novelis Corp.*, 92 USPQ2d 1085 (6th Cir. 2009), Cincom agreed to license two of its software products to Alcan Ohio, a subsidiary of Alcan, Inc. The license was non-exclusive and non-transferable, and granted Alcan Ohio the right to use one copy of the software, which was installed on a computer in Oswego, New York. Furthermore, transfers of the license required written authorization from Cincom. Starting in 2003, Alcan Ohio underwent a series of mergers with a Texas subsidiary of Alcan, Inc. The resulting entity was subsequently renamed Novelis. Under Ohio state law, all property of a corporation is deemed to be transferred to and vested in the new merged entity. Thus, while the software remained on the computer in Oswego, the computer (and the software stored on it) that was owned by Alcan Ohio before the mergers became the property of the new entity Novelis after the mergers. Cincom sued for copyright infringement, asserting that the transfer of the software license from Alcan Ohio to Novelis according to Ohio law was impermissible.

The district court granted summary judgment for Cincom, and the Sixth Circuit affirmed. The district court, and the Sixth Circuit in affirming the decision, relied upon a prior Sixth Circuit case, *PPG Industries Corp. v. Guardian Industries Corp.*, 597 F.2d 1090 (6th Cir. 1979). That case involved two glass fabrication companies. PPG, the plaintiff, granted a non-exclusive, non-transferable license of a new technology to Permaglass Corporation. Permaglass subsequently merged with Guardian Industries, the defendant. The Court ruled in that case that the license did not survive the merger.

As the Court explained, certain intellectual property licenses are an exception to the general rule that state law will determine whether a merger effects a transfer of an intellectual property (or other) license. The purpose of intellectual property is to encourage innovation and expression by granting inventors and authors exclusive rights to their creations. However, permitting state law to allow free assignability of intellectual property licenses would run counter to this goal, as any entity desiring a license could obtain a license from either the inventor/author or a licensor. Thus, every licensee would also be a potential competitor of the inventor, because the licensee would be free to license the invention to a competitor (even if the licensee is not itself a competitor). To avoid this

problem, the Sixth Circuit ruled that federal law pre-empts any state law which would effect a transfer of an intellectual property license without express authorization. The Sixth Circuit therefore found that the license to Permaglass did not survive the merger with Guardian Industries, since PPG had not authorized the transfer of the license from Permaglass to Guardian Industries.

The Sixth Circuit applied the same reasoning to Novelis. The original license granted a non-exclusive and non-transferable right to Alcan Ohio. When Alcan Ohio underwent the series of mergers that resulted in the creation of Novelis, Cincom was not given the opportunity to approve of the transfer from Alcan Ohio to Novelis. Therefore, because Cincom did not authorize the transfer, the subsequent use of the software by Novelis was copyright infringement.

The Sixth Circuit rejected Novelis' arguments to the contrary. Novelis argued that the Ohio merger law had changed since the *PPG* decision. The Sixth Circuit noted, however, that the change (which deleted the word 'transferred') was largely cosmetic, and still resulted in a transfer of the license from Alcan Ohio to Novelis without prior authorization from Cincom. The Sixth Circuit also distinguished the cases cited by Novelis. Those cases did not involve intellectual property licenses. The decision by the Sixth Circuit only addresses intellectual property transfers; federal intellectual property law does not pre-empt state law in other circumstances.

Significance to Intellectual Property Licensees

Unlike many other agreements, the transfer of intellectual property rights is not automatic and is entirely dependant on the scope of licensee defined in the intellectual property license. If the scope does not expressly cover sub-licensees, mergers, related companies, there is no presumption that the license extends to such parties. In *Cincom*, the court took a broad view of what constitutes a transfer and concluded that transfers should include a merger. Thus, organizations contemplating mergers should review their licensing arrangements prior to the merger in order to determine what restrictions there are on who is defined as a licensee for purposes of the license, and whether an express agreement from the licensor is needed to effectively transfer the license to the new merged entity. A failure to conduct such a review and obtain

the permission of the licensor could result in a hefty liability for infringement of the licensor's copyrights as

occurred in *Cincom Sys., Inc. v. Novelis Corp.*

Federal Circuit Finds Print Advertisement Contains an Enabling Disclosure Sufficient to Invalidate Claims Under 35 U.S.C. §102(b)

In *Iovate Health Sciences, Inc. vs. Bio-Engineered Supplements & Nutrition, Inc.*, 92 USPQ2d 1672 (Fed. Cir. 2009), Iovate is the exclusive licensee of U.S. Patent No. 6,100,287 (the '287 patent). The '287 patent is assigned to the University of Florida Research Foundation, Inc. The '287 patent was filed on Nov. 13, 1998 and claims priority from a provisional application filed on Nov. 13, 1997. The invention is directed to using nutritional supplements containing a ketoacid and either a cationic amino acid or a dibasic amino acid to improve muscle performance or recovery from fatigue.

Claims 2, 5, 7 and 8 of the '287 patent disclose various features defining the composition recited in claim 1, which recites "A method for enhancing muscle performance or recovery from fatigue wherein said method comprises administering a composition comprising a ketoacid and an amino acid wherein said amino acid is cationic or dibasic." Additionally, claim 9 recites orally administering the composition, and claim 18 recites using the composition on humans.

Iovate sued BSN for the infringement of the '287 patent in March 2007 in the Eastern District of Texas. The allegedly infringing products contain arginine alpha keto-glutarate and are advertised as enhancing muscle strength or resistance to muscle fatigue. With respect to the recitations of claim 1 of the '287 patent, the District Court interpreted "enhancing muscle performance" to mean "increasing the ability of muscle to maintain required or expected force or power output," and interpreted "recovery from fatigue" to mean "increasing muscle performance after muscle performance has been decreased by exercise." BSN moved for summary judgment, asserting that the '287 patent was invalid because it was anticipated or rendered obvious by numerous amino acid and ketoacid nutritional supplements advertised in fitness periodicals.

The District Court granted BSN's motion for summary judgment and found claims 1, 2, 5, 7, 8, 9 and 18 to be invalid under 35 U.S.C. §102(b) because they were anticipated by ads for TwinLab Mass Fuel and Weider's VICTORY Professional Protein, as published in Flex magazine before the critical date of Nov. 13, 1996. The ads each included a list of respective ingredients and

directions on how to orally administer the supplements to a human. Additionally, the ads described the supplements as generally accelerating muscle recovery, helping to increase muscle growth and helping muscles recuperate after exercise. The Professional Protein ad listed a price for the supplement and stated that the product was available at health food or nutritional stores. As such, the District Court held that the ads established public use and an offer for sale of the product under 35 U.S.C. §102(b). Furthermore, the District Court held that the ads disclosed all the limitations of the claims at issue and that the ads were enabling because a person of skill in the art would consider the disclosures in the ads in combination with the person of skill's knowledge to be enabled.

The U.S. Court of Appeals for the Federal Circuit Court reviewed the District Court's grant of summary judgment de novo. The Federal Circuit Court stated that, although the District Court and the involved parties discussed three factors listed under 35 U.S.C. 102(b), including printed publication, public use and on sale, the Federal Circuit Court would need to only affirm the District Court's ruling as per one factor, and held that the Professional Protein advertisement clearly constitutes an anticipatory printed publication. With respect to the 35 U.S.C. §102(b) requirement of a printed publication, the involved parties did not dispute that the Professional Protein advertisement appeared in the Flex Magazine before the critical date of Nov. 13, 1996. In arriving at the holding, the Federal Circuit Court discussed two primary issues: a) the disclosure of each and every claim limitation; and b) enablement. The Federal Circuit Court stated that, to be anticipatory, the advertisement must "describe, either expressly or inherently, each and every claim limitation and enable one of skill in the art to practice an embodiment of the claimed invention without undue experimentation. *In re Gleave*, 560 F.3d 1331, 1334 (Fed. Cir. 2009)."

In appealing, Iovate argued that there are genuine issues of material fact as per whether the Flex Magazine ads disclose all the limitations of the claims at issue, and specifically, as per the ads disclosing an effective method of "enhancing muscle performance or recovery

from fatigue,” as claim 1 recites. Iovate relied upon the testimony of Dr. Ivy, their expert, who stated that the ads’ disclosures are not synonymous with and/or do not address limitations of claim 1 recited in the preamble. Additionally, Iovate relied upon Dr. Ivy’s opinion that those skilled in the art do not rely upon ads appearing in muscle magazines as per the effectiveness of advertised supplements because of false advertising and a lack of scientific testing in the industry.

BSN responded to Iovate’s argument by asserting that the preamble is either non-limiting or only recites the purpose for which the composition is taken, and thus, “enhancing muscle performance or recovery from fatigue” is not a functional or effective result. The Federal Circuit Court noted that BSN argued that the claims (1) recite “a method for” rather than “a method of”; (2) do not recite limiting amounts, concentrations or ranges; and (3) do not recite a step to measure an effect or result. Furthermore, BSN argued that there was no genuine issue of material fact as per the advertised supplements having the same purpose as claimed in the ‘287 patent.

The Federal Circuit Court stated that they “agree with BSN that the Professional Protein ad discloses each and every limitation of the claims asserted by Iovate,” and stated that it was undisputed that the ad disclosed the limitations of the claims as per the composition and the purpose of the administration of the supplement. The Federal Circuit Court went on to state that “[t]o avoid anticipation, Iovate relies on conclusory expert testimony and attempts to increase the specificity of the language used in the claims’ preamble. But even assuming that the preamble limits the claims, there is no evidence that those skilled in the art of nutritional supplements used the term “enhancing muscle performance” -and thus “increasing the ability of muscle to maintain required or expected force or power output” -to exclude increasing muscle strength. Such an argument borders on the frivolous.” In fact, the Federal Circuit Court noted that the specification of the ‘287 patent discussed improving muscle strength and that Iovate previously asserted that BSN’s ads’ claims of enhancing muscle strength support Iovate’s allegations that BSN products infringed on the ‘287 patent.

A per Iovate’s argument, which reads an effectiveness requirement into the preamble, the Federal Circuit Court noted that the ‘287 patent claims do not restrict elements of the composition to specific dosages, ranges, or even an “effective amount.” Thus, the Federal Circuit Court found that, with respect to the ‘287 patent claims, “the ad’s disclosure of a certain composition

taken for a certain purpose suffices for the purpose of anticipation.” In summary, the Federal Circuit Court found that the Professional Protein ads disclose each and every claim limitation as a matter of law because the ads disclose that taking a supplement having the advertised ingredients is effective for increasing muscle performance and recovery after exercise.

With respect to enablement, Iovate argued that the District Court was incorrect to focus on whether a person of ordinary skill in the art could have made the advertised supplements rather than the invention of the ‘287 patent, and furthermore, that the record lacks evidence as per the ad teaching a person of skill in the art how to make a composition that is effective for enhancing muscle performance or recovery from fatigue. BSN argued that because the claims of the ‘287 patent did not recite concentration levels, ratios or percentages, one of skill in the art could practice the invention by buying the listed ingredients or the product itself and administer them as directed in the ad. Alternatively, BSN argued that determining relative amounts and doses was not undue experimentation.

The Federal Circuit Court agreed with BSN and stated that “all one of ordinary skill in the art would need to do to practice an embodiment of the invention is to mix together the known ingredients listed in the ad and administer the composition as taught by the ad. We have already rejected Iovate’s argument that the claims require administering an effective amount of the claimed composition.” The Federal Circuit Court went on to state that “even if the claims did require an effective amount, one of skill in the art would have been able to determine such an amount based on the ad and the knowledge in the art at the time,” because the ad teaches how much protein an active athlete needs per day per kilogram of body weight. Furthermore, the Federal Circuit Court noted that the ‘287 patent specification lists publications dating from before 1996 which teach clinical dosages of the components claimed in the ‘287 patent.

In summary, the Federal Circuit Court found that the Professional Protein ads constitute an anticipatory printed publication under 35 U.S.C. §102(b) and upheld the District Court’s grant of summary judgment because “no reasonable fact-finder could conclude other than that the Professional Protein ad discloses each limitation of the claimed method in an enabling manner.” Thus, the Federal Circuit Court affirmed the District Court’s decision that the asserted claims of the ‘287 patent were

invalid.

Central District of California Extends Bilski Holding to Find Computer Aided Method Not Tied To A Particular Machine If Merely Tied to Computer

In *Dealertrack, Inc. v. Huber et al.*, CV 06-2335 AG (C. D. Calif. July 7, 2009), the patent at issue, U.S. Patent No. 7,181,427 (the '427 patent), is directed toward an automated credit application system. Dealertrack at 2. The independent claim at issue, claim 1, recites a "computer aided method" of managing a credit application. The method consists of steps of receiving credit application data and forwarding the application and subsequent funding decisions to remote devices. *Id.* at 2. The only issue in the case was the validity of the claims under 35 U.S.C. § 101.

Since Dealertrack did not argue the "transformation" prong of the test outlined in *In re Bilski*, 545 F. 943 (Fed. Cir. 2008) (en banc), the court considered only the "particular machine" prong of the *Bilski* test - whether the claimed process was tied to a particular machine. Dealertrack at 5. However, the *Bilski* decision provided no guidance as to the nature of the "particular machine", leaving such consideration to future cases. *Id.* at 5 (citing *In re Bilski*, 545 F. 943, 962 (Fed. Cir. 2008)). The court therefore turned to several recent non-precedential decisions from the Board of Patent Appeals and Interferences, which held that general purpose computers were not "particular machines". In *Ex Parte Gutta*, which was decided before *Bilski*, the Board held that a process claim "for use in a recommender" was not tied to a particular machine because the body of the claim recited a mathematical algorithm and the only recitation of a machine in the claim was an intended use clause in the preamble. *Ex Parte Gutta*, 84 USPQ.2d 1536 (B.P.A.I. 2007). In *Ex Parte Nawathe*, the Board found that a claim to a "computerized method" was not tied to a particular machine because the specification discussed only a general-purpose computer. *Ex Parte Nawathe*, No. 2007-3360 (B.P.A.I. Feb. 9, 2009). Finally, in *Ex Parte Cornea-Hasegan*, the Board held that a method including steps performed by a "processor" recited merely a general purpose computer.

In light of these Board decisions, the district court found that the '427 patent's claims were not tied to a particular machine. Although the claims referred to a remote application entry and display device and remote funding source terminal devices, the specification did not indicate how these devices were to be programmed. Furthermore, during claim construction, the district

court interpreted the terms as indicating any device, including a dumb terminal. Since the devices did not require special programming, and the specification provided no guidance as to the nature of the devices, the district court found that the method was not tied to a particular machine. The court accordingly ruled that the claims at issue, not being tied to a particular machine or transforming an article into a different state or thing, were invalid under 35 U.S.C. § 101.

Significance for Patent Applicants and Owners

While this case is on appeal, *Dealertrack* gives further evidence as to the confused state of computer software based inventions due to the Federal Circuit's *en banc* opinion *In re Bilski*, 545 F. 943 (Fed. Cir. 2008). While the Federal Circuit expressly limited its decision to methods, the United States Patent and Trademark Office and the District Courts are taking opposite approaches as to whether *In re Bilski* should be extended to all forms of machines and apparatuses to effectively render software unpatentable in any form. Until the Supreme Court renders its decision *In re Bilski*, applicants will be unable to determine whether their software-based inventions can be patented, and exactly how much detail needs to be included in an application in order to transform the computer into the type of "particular machine" which the District Court in *Dealertrack* found was required for purposes of determining patent-eligible subject matter under 35 U.S.C. §101.

Feature Comment: New USPTO Program to Accelerate Examination of Green Technologies

By James G. McEwen¹

I. INTRODUCTION

With the average pendency for patent applications now 34.6 months and applicants waiting on average 25.8 months for even a first action², patent applicants have been searching for new ways to accelerate their applications in order to ensure that the patent protection that they need is acquired within the timeframe needed to protect their commercial embodiment. Such acceleration is performed by getting an application labeled as Special, which allows the Examiner to examine the application ahead of older applications. Thus, there is a strong incentive for applicants to find a mechanism to get their application designated Special.

However, the United States Patent and Trademark Office (USPTO) places strict limits on which applications can be designated Special. Specifically, outside of reissue applications and participants in the Patent Prosecution designated Special using a Petition to Make Special.³ While the Petition to Make Special can be an attractive option, the cost and risks of filing the Petition to Make Special (and particularly the cost and risks associated with filing the search document explaining the distinctions between the claimed invention and the prior art) usually outweigh the benefits of immediate examination. Thus, applicants have not typically used these Petitions except in very exceptional circumstances.

At the same time, there is an increased emphasis on creating and encouraging domestic development of green technologies. These technologies, however, are subject to the same patent pendency problem. Arguably, green technologies actually fared worse than average in regards to patent pendency. According to the USPTO, the "average pendency time for applications in green technology areas is approximately 30 months to

a first office action and 40 months to a final decision."⁴ As a result, the USPTO implemented a pilot program to accelerate the patenting of green technology, and thus "accelerate the development and deployment of green technology, create green jobs, and promote U.S. competitiveness in this vital sector."⁵

II. Requirements for Participation in Pilot Program for Green Technologies

When the Pilot Program was first announced, the United States Patent and Trademark Office had not yet indicated how the program was to be run, or even what technologies would be considered a "green technology." This deficiency was resolved on December 29, 2009, when the United States Patent and Trademark Office published a Notice for the requirements for participation in the Pilot Program for Green Technologies.⁶

In this Notice, the Pilot Program was limited to the first 3,000 Petitions for previously filed new applications, and is effective as of December 8, 2009 through December 8, 2010. Further, the application cannot contain more than one invention, and no more than twenty claims and three independent claims. However, the application can be amended with a Preliminary Amendment accompanying the Petition in order to comply with this requirement.

Scope of Green Technology

As set forth in the Notice, the scope of the program encompasses any green technologies which provide for greenhouse gas reduction. Specifically listed are technologies related to

- environmental quality,
- energy conservation,
- development of renewable energy resources, or
- greenhouse gas emission reduction.

¹ James G. McEwen is a partner at Stein McEwen, LLP. The opinions in this article do not represent the official positions of Stein McEwen, LLP.

² Patent Pendency Statistics - FY09 (<http://www.uspto.gov/patents/stats/patentpendency.jsp>) (December 30, 2009).

³ MPEP 708.01.

⁴ The U.S. Commerce Department's Patent and Trademark Office (USPTO) will pilot a program to accelerate the examination of certain green technology patent applications (December 7, 2009) http://www.uspto.gov/news/pr/2009/09_33.jsp.

⁵ Id.

⁶ 1349 Official Gazette 362

The Notice specifically lists the patent classifications which are currently considered within these categories, which therefore define the scope of the Pilot Program. While technologies such as biofuels, wind turbines, fuel cells and solar cells are obviously included in the scope of green technologies, the Notice shows that the USPTO has taken a broad view of what constitutes a green technology. For instance, examples of Energy Conservation includes "Cathode ray tube circuits (USPC 315/150, 151, 199)", "Commuting, e.g., HOV, teleworking (USPC 705/13)," and "Roadway, e.g., recycled surface, all-weather bikeways (USPC 404/32-46)." Thus, merely because a technology is not always thought of as a green technology does not mean that an applicant should not take a closer look to determine whether their pending applications qualify as a green technology for purposes of the Pilot Program.

General Petition Requirements

If a technology is a green technology, the applicant can file a Petition to Make special under the Green Technology Pilot Program. The Petition itself does not require a fee as the "\$130.00 fee for a petition under 37 CFR 1.102 (other than those enumerated in 37 CFR 1.102(c)) is hereby sua sponte waived for petitions to make special based upon the procedure specified in this notice."

The Petition must be electronically filed prior to December 8, 2010 or prior to the first Office Action, whichever comes first. When filing electronically, the applicant needs to label the filing as "Petition for Green Tech Pilot", and should use the newly-created form PTO/SB/420. However, applicant created forms can be used.

The Petition needs to include a request for early publication with accompanying fee. Further, the applicant needs to agree to elect between inventions pursuant to a telephone interview should the Examiner determine that the application contains more than one invention.

The Petition needs to include evidence as to how the technology meets one of the two Eligibility requirements. Specifically, the Petition or the underlying application must indicate how the invention is material to advancing green technology as defined under one of the Eligibility requirements. Ideally, an applicant should include such a statement in the Petition in order to ensure that the materiality is demonstrated even where the applicant believes that the application clearly indicates how the invention is material to the development of green technology.

Notably, neither Eligibility requirement requires the conducting of a pre-examination search and examination support document. Thus, the Petition should be cheaper and less risky to file as compared to where a Petition to Make Special is used.

The two Eligibility requirements are set forth below.

1. Eligibility Requirement for Applications Pertaining to Environmental Quality

For applications whose eligibility is related to Environmental Quality, the Petition needs to set forth how the technology will "materially enhance the quality of the environment under the conditions specified in item V of MPEP Sec. 708.02." Under this standard, the Petition must specifically state that the Special status is appropriate since the invention "materially enhances the quality of the environment by contributing to the restoration or maintenance of the basic life-sustaining natural elements." The materiality standard can be met if the application itself clearly demonstrates the importance of the technology, or if there is a statement included in the Petition which demonstrates how the invention is material.

2. Eligibility Requirement for Applications Pertaining to Energy Conservation, Development of Renewable Energy Resources, or Greenhouse Gas Emission Reduction

For applications whose eligibility is related to Energy Conservation, Development of Renewable Energy Resources, or Greenhouse Gas Emission Reduction, the applicant needs to demonstrate that the invention "materially contribute" to the "The discovery or development of renewable energy resources; the more efficient utilization and conservation of energy resources; or the reduction of greenhouse gas emissions."

A "renewable energy resource" includes "hydroelectric, solar, wind, renewable biomass, landfill gas, ocean (including tidal, wave, current, and thermal), geothermal, and municipal solid waste, as well as the transmission, distribution, or other services directly used in providing electrical energy from these sources.

For "energy conservation", the invention must relate to reducing energy consumption in some form of system, including "combustion systems, industrial equipment, and household appliances."

The reduction of greenhouse gas emissions includes technologies which advance nuclear power generation technology, or "fossil fuel power generation or industrial

processes with greenhouse gas-abatement technology.” Moreover, the technologies need not be directed only to improvements in these technologies, and can also include “inventions that significantly improve safety and reliability of such technologies).”

Where the Petition relates to this second ground of Eligibility, the Petition needs to explain that the Special status is deserved by demonstrating how the materiality requirement is met for these categories. As with the first Eligibility requirement, where the materiality requirement is not evident from the application itself, the applicant needs to include in the Petition an explanation as to how the technology materially aids in the development of these categories of inventions.

V. CONCLUSION

Petitions to Make Special have traditionally been a way for the United States Patent and Trademark Office to ensure that the most important inventions are examined in advance of all inventions. With the costs and burdens associated with Petitions to Make Special, applicants are generally reluctant to file such Petitions. However, by making broad categories of green technologies available for Petitions to Make Special without the cumbersome pre-examination searches and supporting documentation, the United States Patent and Trademark Office has taken the unusual step of allowing entire categories of technology to be treated in advance at a relative low cost. Given the uniqueness of this opportunity, applicants would be well advised to review their pending applications to determine if their invention qualifies for this inexpensive mechanism to ensure that their technology is timely protected.

Stein McEwen LLP

About us ...

ADDRESS:

1400 Eye Street, N.W.
Suite 300
Washington, DC 20005

PHONE:

202.216.9505

FAX:

202.216.9510

E-MAIL:

email@smiplaw.com

Stein McEwen, LLP is a full service intellectual property law firm with an emphasis on intellectual property creation and maximization. With a diverse clientele, including large multinational corporations, as well as small to midsize domestic and international companies, the attorneys of Stein McEwen, LLP have worked with and counseled clients on the use of intellectual property as a tool for maximizing the protection of their research and development efforts.

www.smiplaw.com

